Production by Small Scale Industries

3036. SHRI B. SATYANARAYAN REDDY: Will the Minister of INDUSTRY be pleased to state:

(a) whether Government have reserved, certain items for production exclusively by the small industries and also fixed the maximum limits of production by the multinationals against the reserved products;

(b) if so, what are the details and what is the annual production capacities of these multinational companies;

(c) whether all multinational companies, particularly, Colgate-Palmolive, have been and are violating Government laws and directives with impunity by doing illegal production in items reserved for the small industries and causing loss of crores of rupees to Government every month;

(d) if so, what are the details and the loss incurred to Government exchequer; and

(e) what action is being taken against those companies indulging illegal production and the steps taken or proposed to be taken by Government to give required protection to the small industries?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) and (b) Reservation of specified articles for exclusive manufacture by small scale industrial undertakings is made under Section 5 of the Industries (Development and Regulation) Amendment Act, 1984. As on date, 835 items are reserved for such manufacture in the small scale sector. If an Industrial undertaking other than a small scale industrial undertaking was manufacturing an item reserved for the small scale sector prior to the date of reservation of that item, it can continue to manufacture the item after obtaining a COB licence. The capacity in the COB licence is pegged at the best production level achieved by that undertaking in the three years preceding the date of reservation of the item.

(c) and (d) It has not come to the notice of the Government that all multinational companies are violating the small scale reservation policy of the Government and thereby causing financial loss to the Government. However, in the case of M/s. Colgate Palmolive (India) Ltd., Government was contemplating legal action against the company on the ground of violation of the provisions of the Industries (Development and Regulation) Act, 1951, in respect of their licensed capacity for tooth powder and tooth paste. The company filed a writ petition in the Delhi High Court and obtained a Stay Order restraining the Government from proceeding against them. The matter, therefore, is sub-judice.

(e) To look into complaints of violation of reservation policy, Government have constituted a Committee to check entry/expansion of large/medium scale units into the areas reserved for the small scale sector. Violation of the provisions under the reservation policy is punishable under Section 24 of Industries (Development and Regulation) Act, 1951.

Industrial growth centre in Amritsar

3037. SHRI HARVENDRA SINGH HANSPAL: Will the Minister of INDUSTRY be pleased to state:

(a) whether the PHD Chambers of Commerce and Industry has strongly urged the Government to set up an industrial growth centre in Amritsar besides five other such centres in the State of Punjab; and

(b) if so, what is the action of the Central Government thereto?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY

OF INDUSTRY (SHRI M. ARUNACHALAM): (a) Government has not received any such suggestion from the PHD Chamber of Commerce & Industry.

(b) Under the Growth Centre Scheme, Government has decided to take up 61 growth centres throughout the country in the first phase. Of these, Punjab has been allotted two growth centres. The State Govt. has been asked to furnish its proposals for the selection of the growth centres, preferably by 30th April, 1989.

Appointment of Managing Director at BWEC, Patna

3038. SHRI ERA SAMBASIVAM: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that a case was pending in the Patna High Court in respect of the present Managing Director, Bharat Wagon Engineering Company, Patna, at the time of his appointment; and

(b) if so, what are the reasons for appointing such a person?

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO): (a) and (b) At the time of his appointment as Managing Director Bharat wagon Engg. Ltd., Patna with effect from 20.2.88 Shri R. P. Singh was employed in Tata Iron & Steel Co. Ltd., Jamshedpur. He is reported to have worked under the Government of Bihar also for some time. As per report received from Government of Bihar, it has been clarified that Shri R. P. Singh had filed a writ petition before the High Court of Patna against termination of his probationary services under that Government. The State Government in the affidavit filed before the High Court had clearly stated that "it is submitted that the order of termination is not by way of punishment or casts any sigma against the petitioner". The Government of Bihar also clarified that neither there were nor there are any allegations of irregularity or impropriety pending against Shri R. P. Singh nor any enquiry or investigation is being conducted against him.

Electric connections to New Deluxe Co-operative Group Housing Society Limited

3039. SHRI BHAGATRAM MANHAR: Will the Minister of ENERGY be pleased to state:

(a) whether it is true that New Deluxe Co-operative Group Housing Society has applied load/new connection for the habitants of the Society;

(b) whether it is also true that the above-named society has also deposited the total amount required for new connection/load in May, 1985; and

(c) if so, what are the reasons for not giving load/connection to the Society and by when the DESU will give connection to the Society?

THE MINISTER OF STATE IN THE DEPARTMENT OF POWER IN THE MINISTRY OF ENERGY (SHRI KALPNATH RAI): (a) to (c) Following the request from New Deluxe Co-operative Group Housing Society, DESU had framed the electrification scheme which was released for execution in May, 1988 when the society made the payment. However, because of the non-availability of clear site conditions, it has not been possible for DESU to implement the scheme. The Sewer work being carried out in the area by the DDA is also holding up the work of laying of high tension feed to the proposed sub-station in the colony. DESU is persuing the matter for removing the bottlenecks.

A request for sanctioning temporary load of 90 KW has also been received from the society in question on 14th March, 1989. The temporary load will be sanctioned after ascertaining the technical feasibility and completion of commercial formalities by the society.